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# Sporkin Defends His Record Suggests Laws Hinder Enforcement

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WASHINGTON—Stanley Sporkin left his job Friday as enforcement chief at the Securities and Exchange Commission. Today he starts work as general counsel to the Central Intelligence Agency.

In his 20-year stint at the SEC, Mr. Sporkin earned a reputation as a tough securities-law cop. He became known as a man the business community loved to hate. He pursued corporate shush-funds and insider trading at home and off-books payments abroad. In 1977, Congress passed the Foreign Corrupt Practices Act, outlawing activities Mr. Sporkin had insisted be disclosed.

Last month, the 49-year-old Mr. Sporkin caught even his closest associates off guard by accepting a job offer from CIA director William Casey, a former SEC chairman and old friend. In an interview last week, Mr. Sporkin paced back and forth in the clutter of his SEC command post, reflecting on his disappointments and successes at the agency. Most of all, he talked about his feeling that he and his enforcement team have been misunderstood.

## On the Sporkin Image

Q: You'd have to agree that you developed a certain image—the Columbo of Wall Street. Do you feel that ever stood in the way of what you were trying to accomplish?

A: Oh, I didn't take that very seriously. I think it was created by people trying to make a kind of glamour job out of this position, so it would be easier for readers to understand.

I was a little miffed at times, you know, because I am a lawyer, and the last thing I want to be known as—not that it's wrong to be—is an investigator. But sometimes they paint me as a stumblebum, somebody who trails around after clues and stumbles into things.

Q: How do you account for all the criticism from corporate America about your hard-nosed approach about the hostility between your enforcement division and the investment community?

A: I don't understand what caused it because people who have dealt with me know what I stand for: namely, running a professional division . . . that's fair . . . that's constructive . . . that's very creative.

There were times when, for example, people offered us a settlement that I knew would have a devastating impact on their business, and they didn't understand what they were doing. I advised them and they withdrew the settlement. Those are the things the public doesn't see, but they're things we

Q: There has been criticism on that score, too—that after years of investigation and thousands of dollars, the violators get a slap on the wrist, a consent decree.

A: That's one thing I will defend for many years to come. It is the right thing we've done. It is the only way to accomplish the mission we have.

You have to realize that litigation is like war. It is hell. It is hell on people. It is hell on resources. You've got to try to resolve as many disputes as you can without having a war—or litigation.

## On His Accomplishments

Q: How is the investment community, including the public, different today than it would be if you hadn't come to work at the SEC 20 years ago?

A: I feel we've given a lot of confidence to the marketplace. I believe we've made it clear to wrongdoers to stay out of this marketplace, and that's the reason you see them in other marketplaces.

Q: Where?

A: I'm not going to tell you. But I think we've had a prophylactic effect, especially with this whole system of compliance self-regulation, in the industries we regulate. We've helped preserve the integrity of our markets. That has made the U.S. markets safer, probably, than any other markets in the world. That's why you see so much foreign money coming in. People have reaped the benefits of what we've done—and then they complain about being over-regulated.

Q: What has given you the most satisfaction?

A: Obviously, the questionable payments cases were important. But the most satisfying thing we did was little heralded: the impact we had in bringing the investment community out of real problems—its back-office problems and then its financial problems. As a result, you'll find the investment community today is enjoying an era of prosperity almost unparalleled in its history. This industry was able to get its problems behind it earlier than others. It took its big bath, and now it's in fighting shape.